# Chinese Imports and the Implementation of CPSC Regulations



Joseph P. Mohorovic

Chief of Staff

#### U.S. Consumer Product Safety Commission

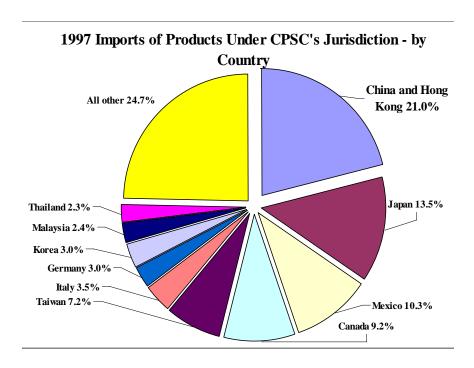
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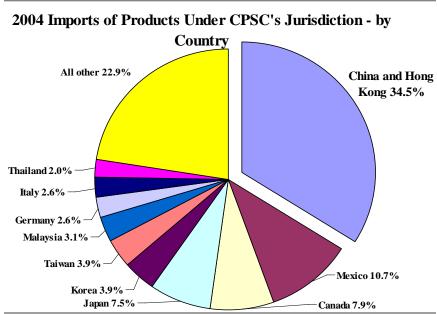
## U.S. CPSC

- An Independent Federal Agency
- Established May 1973
- Responsible for Consumer Product Safety Functions of the U.S. Federal Government
- Purpose: "To protect the public against unreasonable risks of injury associated with consumer products." 1

<sup>&</sup>lt;sup>1</sup> Section 2(b)(1) of the Consumer Product Safety Act, 15 U.S.C. § 2051 (b)(1)

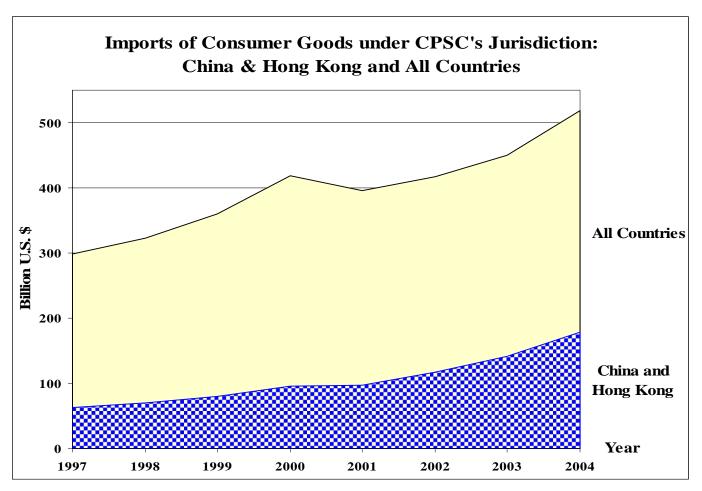
 The share of U.S. imports from China of all consumer products under CPSC's jurisdiction increased from 21% in 1997 to 34.5% in 2004. This represents an increase of 64%.





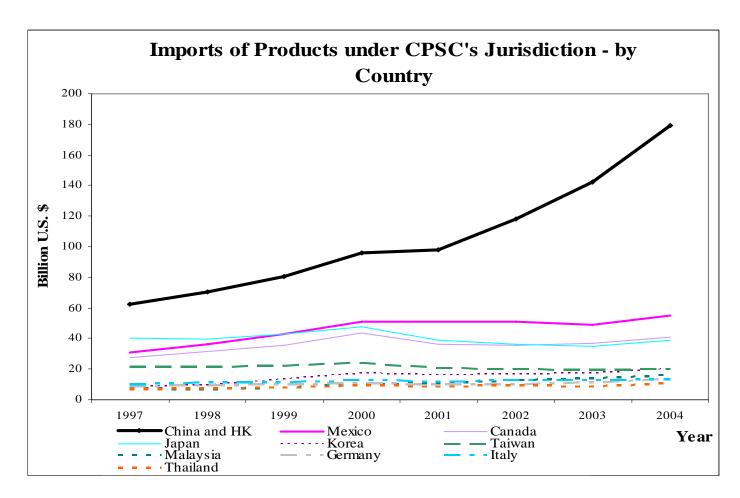
Source: U.S. International Trade Commission statistics.

The value of U.S. imports from China increased from \$62.6 billion in 1997 to \$179 billion in 2004. This represents an increase of 186% over an eight-year period.



Source: U.S. International Trade Commission statistics.

Of the top 10 countries from which consumer goods under CPSC's jurisdiction are imported, China has experienced the fastest growth rate in value of imports.



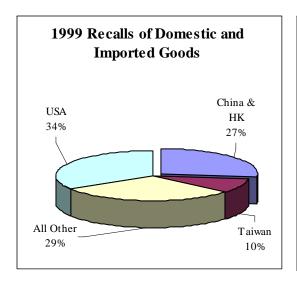
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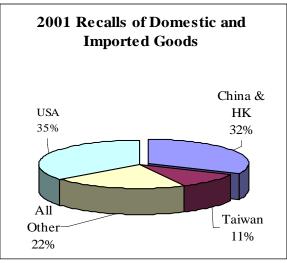
## Recall Data

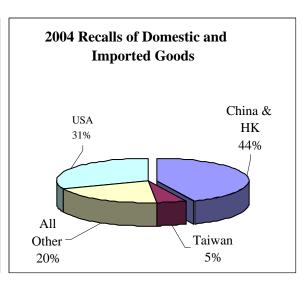
Relative to all recalls of consumer goods (i.e., recalls of domestically produced and imported goods), the share of recalls from China increased from 27% in 1999 to 44% in 2004.

## **Recall Data**

#### **CPSC Recalls of Domestic and Imported Goods over Time**







Source: CPSC Compliance data.

## Importance of Using U.S. Mandatory and Voluntary Standards

- Both play essential safety roles
- Any consumer product import shall be refused admission to U.S. if it:
  - Fails to comply with an applicable consumer product safety rule
  - Has a defect which constitutes a substantial product hazard

## Importance of Using U.S. Mandatory and Voluntary Standards

In some cases, failure to comply with an industry voluntary (consensus) safety standard makes a product defective and creates a substantial product hazard.

- "Handbook for Manufacturing Safer Consumer Products" translated into Chinese
- Handbook explores core safety concepts for manufacturers
  - Corporate Practices
  - Product Design
  - Production Quality

#### Executive Action

A. Product Safety Policy

B. Organization

C. Training

- Technical Guidance
  - A. Design Review
  - 1. Identification and evaluation of potential safety hazards
    - 2. Review
  - **B.** Documentation and Change Control

#### C. Purchase Product Control

- 1. Purchase document requirements
- 2. Select suppliers carefully
- 3. Examine suppliers' facilities, operations, records, and supplies

- C. Purchase Product Control
  - 4. Take corrective action promptly
  - 5. Ensure reporting responsibility

#### D. Production

- 1. Materials
- 2. Work Instructions
- 3. Facilities
- 4. Production Processes
- 5. Repair
- 6. Work Environment
- 7. Handling and Storage

#### **E.** Quality Control

- 1. Inspection and Testing
- 2. Statistical Methods
- 3. Non-Conforming Material

#### F. Measurement and Calibration

G. Distribution

H. Consumer Service

I. Records

## **Testing**

For those products where a certification program exists, certification of products is recommended.

- Take advantage of certification programs
  - JPMA for "juvenile products"
  - AFSL for fireworks
  - For certification of electrical and life-safety products through UL, CSA, ETL, etc.

## **Testing**

Important elements of certification are surveillance services such as:

- Factory inspections
- Pre-market production sample testing
- Post-market testing

## **Testing**

#### Have all other products tested

- We recommend product testing by an accredited test laboratory:
  - Accredited to the ISO/IEC 17025 standard by a recognized accreditation body
  - With the appropriate scope to ensure the laboratory's technical competence for the specific product safety standards

## **Comparative Standards Study**

CPSC will offer to AQSIQ the U.S. recognized consumer product safety standards where we could not find a Guo Biao or an International Organization for Standardization (ISO) standard.

## Professional Exchange Program

- Pilot Educational Exchange Program
  - Designed for representatives of Government, Trade, Industry, Engineering and Academic Institutions
- Promote scholarly exchange of core engineering curriculum, textbooks and research

## Professional Exchange Program

- Competencies to include
  - Failure Mode and Effects Analysis
  - Hazard-Based Safety Engineering
  - Quality Assurance Programs
  - Human Factors Engineering

## **Partnering Efforts**

- Government-to-Government
  CPSC interaction with:
  - Federal (Beijing)
  - Provincial & Local Officials
- Retailers
- Trade Associations & Trade Fairs
- Manufacturers
- Testing Laboratories